

LOUISIANA UNIFORM LOCAL SALES TAX BOARD

Port Allen, Louisiana

FINANCIAL REPORT

June 30, 2018

LOUISIANA UNIFORM LOCAL SALES TAX BOARD

Port Allen, Louisiana

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Louisiana Uniform Local
Sales Tax Board
Port Allen, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and major fund of the Louisiana Uniform Local Sales Tax Board (Board), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3-8 and the budgetary comparison information on pages 23 and 24 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is the responsibility of management. We have not audited, reviewed, or compiled such required supplementary information, and do not express an opinion, a conclusion, nor provide any form of assurance on it.

Supplementary Information

The supplementary information on page 25 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
December 14, 2018

LOUISIANA UNIFORM LOCAL SALES TAX BOARD
Port Allen, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Louisiana Uniform Local Sales Tax Board of the Parish of Baton Rouge, Louisiana (the Board) we are pleased to provide an overview of our financial activities for the year ended June 30, 2018. Please read it in conjunction with the Board's financial statements, which begin on page 10. The Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts.

The information contained within this MD&A should be considered only a part of a greater whole, as should all other sections in this financial report. The readers of this statement should take the time to read in conjunction with the financial statements, including the footnotes and the other Required Supplemental Information (RSI) provided as required components of this annual financial report.

FINANCIAL HIGHLIGHTS

In 2018, the Board experienced an increase in net position and in fund balance.

The major financial highlights for 2018 are as follows:

- Assets of the Board's primary government exceeded its liabilities at the close of the year by approximately \$394,000 (net position).
- The primary government's total net position increased by approximately \$394,000 during 2018.
- As of the end of the year, the primary government's governmental funds reported fund balances of approximately \$386,000.
- The General Fund's fund balance increased by approximately \$386,000 during 2018.

Significant aspects of the Board's financial well-being as of and for the year ended June 30, 2018 are detailed throughout this analysis.

USING THIS ANNUAL REPORT

The Board's financial statements focus on the government as a whole and on major individual funds. Both perspectives allow the reader to address relevant questions, broaden a basis for comparison from year to year, and enhance the Board's accountability.

This annual report consists of a series of financial statements. The government-wide Statement of Net Position and the Statement of Activities (on pages 9 and 10, respectively) provide information about the activities of the Board as a whole and present a longer-term view of the Board's finances.

Fund financial statements start on page 11. For governmental activities, these statements illustrate how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Board's operations in more detail than the government-wide statements by providing additional information about the Board's General Fund.

Reporting on the Board as a Whole

Our analysis of the Board as a whole begins on page 9. The Statement of Net Position and the Statement of Activities report information about the Board as a whole and about its activities in a way to determine if the Board is in better condition as a result of the year's financial results. These statements include all assets and liabilities using the full accrual basis of accounting, which is similar to accounting methods used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods.

These two statements report the Board's net position and related changes. One can think of the Board's net position - the difference between assets and liabilities - as one way to measure the Board's financial health or financial position. Over time, increases or decreases in the Board's net position are one indicator of whether its financial health is improving or deteriorating. One will need to consider other non-financial factors, however, such as changes in the Board's agreements with local tax collectors to assess the overall health of the Board.

Governmental activities - All of the Board's services are reported here, which include the general funding and related administration of the Board. Intergovernmental revenues finance most of these activities.

At June 30, 2018, the Board's net position was \$394,000 for governmental activities, of which \$386,000 was unrestricted. The Board does not have restricted net position, which is reported separately to show legal constraints from debt covenants and enabling legislation that limits the Board's ability to use that net position for day-to-day operations.

The analysis below of the primary government focuses on the net position and change in net position of the Board's governmental activities and is as follows:

Louisiana Uniform Local Sales Tax Board
Statements of Net Position
June 30, 2018
(in thousands)

Cash and cash equivalents	\$ 391
Capital assets	<u>8</u>
Total assets	<u>\$ 399</u>
Current and other liabilities	\$ 5
Net positions:	
Net investment in capital assets	8
Unrestricted	<u>386</u>
Total liabilities and net position	<u>\$ 399</u>

Net position of the Board's governmental activities increased by \$393,700 during 2018. The change in net position was primarily due to intergovernmental revenues in excess of expenditures for professional fees, the purchase of computer equipment, and other necessary expenditures for the Board's first year of operations.

The \$393,700 in unrestricted net position of governmental activities represents the accumulated results of operations, or the residual that would remain after the Board paid all of its obligations. The changes in net position are discussed later in this analysis.

(Continued)

The results of this year's operations for the primary government as a whole as reported in the Statement of Activities are as follows:

Louisiana Uniform Local Sales Tax Board
Statement of Activities
For the year June 30, 2018
(in thousands)

Revenues:	
Sales and use tax	\$ 450
Functions/Programs Expenses:	
General	<u>56</u>
Change in net position	394
Beginning net position	<u>-</u>
Ending net position	<u>\$ 394</u>

Fund Financial Statements

A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. These statements focus on the major funds rather than generic fund types.

Reporting on the Board as a Whole

Our analysis of the Board's General Fund begins on page 11 with the fund financial statements that provide detailed information about the General Fund. The General Fund is required to be established by state law. However, the Board may establish other funds to control and manage money for particular purposes or to meet legal responsibilities for using certain taxes, grants, and other money. The Board has not established any other funds other than the General Fund.

Governmental funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. All of the Board's services are reported in one governmental fund, the General Fund. This fund is reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Board's general government operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Board's programs.

The relationship (or differences) between governmental activities, reported in the Statement of Net position and the Statement of Activities, and governmental funds are described in a reconciliation to the financial statements.

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are a required part of the basic financial statements and begin on page 15.

Other information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning original and final budgetary comparisons to actual results for the year for the Board's major fund, the General Fund, which can be found on page 23.

Financial Analysis of the Government's Funds

The general government operations of the Board are accounted for in the General Fund. The focus of this fund, as noted earlier, is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Board's financing requirements. The following is a summary of the Board's operations for 2018 for the General Fund:

	<u>(in thousands)</u>
	<u>2018</u>
Revenues	\$ 450
Expenditures	<u>64</u>
Net change in fund balance	386
Fund balance, beginning of year	<u>-</u>
Fund balance, ending of year	<u>\$ 386</u>

The Board's General Fund experienced an increase in fund balance of \$386,000 during 2018.

Sources of governmental revenues are summarized below:

	<u>(in thousands)</u>	
<u>Source of Revenue</u>	<u>Revenue</u>	<u>%</u>
Taxes	\$ 450	100
Other	<u>1</u>	<u>0</u>
Total	<u>\$ 451</u>	<u>100</u>

Expenditures of the primary government were \$64,000. The largest expenditures were professional fees of \$43,500 for accounting and technology services.

CAPITAL ASSETS

At the end of 2018, the Board had approximately \$8,000 invested in computer and technology.

The Board's final 2018 capital outlay budget provided for expenditures of \$110,000 for computers and equipment purchases; however, only \$8,000 was spent due to anticipated projects not beginning before year end. More detailed information on the Board's capital assets is presented in Note 5 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Board is reliant upon House Bill No. 601, which accounts for all of its revenues. The Board expects its revenues from these sources to increase by 144% in 2019. The budget expenditures for 2018 are expected to increase by \$567,000, or 148%, due to the Board functioning for the entirety of the year. 2018 budgeted revenues only represent 3 months of activity.

Contacting the Board's Financial Management

This financial report is designed to provide a general overview of the Board's finances for all those with an interest in the Board's finances. If you have questions about this report or need additional financial information, contact the Louisiana Uniform Local Sales Tax Board, at P.O. Box 404, Port Allen, Louisiana, 70767.

LOUISIANA UNIFORM LOCAL SALES TAX BOARD

Port Allen, Louisiana

STATEMENT OF NET POSITION

June 30, 2018

	<u>Governmental Activities</u>
CURRENT ASSETS	
Cash and cash equivalents	\$ 391,576
EQUIPMENT, net	<u>7,778</u>
Total assets	<u>\$ 399,354</u>
LIABILITIES AND NET POSITION	
Accounts payable and accrued liabilities	\$ 5,628
NET POSITION	
Net investment in capital assets	7,778
Unrestricted	<u>385,948</u>
Total net position	<u>393,726</u>
Total liabilities and net position	<u>\$ 399,354</u>

The accompanying notes to financial statements
are an integral part of this statement.

LOUISIANA UNIFORM LOCAL SALES TAX BOARD

Port Allen, Louisiana

STATEMENT OF ACTIVITIES

For the year ended June 30, 2018

	Program Revenues			Net (Expenses)
		Operating	Capital	Revenue and
	Charges for	Grants and	Grants and	Changes in
Expenses	Services	Contributions	Contributions	Net Position
				Governmental
				Activities
Governmental activities				
General government	\$ 56,728	\$ -	\$ -	\$ (56,728)
General revenues:				
Sales and use tax				450,000
Investment earnings				454
Change in net position				393,726
Net position - beginning of year				-
Net position - end of year				\$ 393,726

The accompanying notes to financial statements
are an integral part of this statement.

LOUISIANA UNIFORM LOCAL SALES TAX BOARD

Port Allen, Louisiana

**BALANCE SHEET
GOVERNMENTAL FUNDS**

June 30, 2018

	General Fund
ASSETS	
Cash and cash equivalents	<u>\$ 391,576</u>
LIABILITIES	
Accounts payable and other accrued expenses	\$ 5,628
FUND BALANCE	
Unassigned	<u>385,948</u>
Total liabilities and fund balance	<u>\$ 391,576</u>

The accompanying notes to the financial statements
are an integral part of this statement.

LOUISIANA UNIFORM LOCAL SALES TAX BOARD

Port Allen, Louisiana

**RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION**

June 30, 2018

Total fund balances - governmental funds (Exhibit A-2)	\$ 385,948
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	<u>7,778</u>
Net position of governmental activities (Exhibit A)	<u>\$ 393,726</u>

The accompanying notes to the financial statements
are an integral part of this statement.

LOUISIANA UNIFORM LOCAL SALES TAX BOARD

Port Allen, Louisiana

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS**

For the year ended June 30, 2018

	General Fund
REVENUES	
Sales and use tax	\$ 450,000
Interest and other	<u>454</u>
Total revenues	<u>450,454</u>
EXPENDITURES	
Current function:	
General government:	
Professional fees	43,505
Administrative	12,420
Other	581
Capital outlay	<u>8,000</u>
Total expenditures	<u>64,506</u>
Net change in fund balance	385,948
FUND BALANCE	
Beginning of year	<u>-</u>
End of year	<u>\$ 385,948</u>

The accompanying notes to the financial statements
are an integral part of this statement.

LOUISIANA UNIFORM LOCAL SALES TAX BOARD

Port Allen, Louisiana

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES**

For the year ended June 30, 2018

Net change in fund balance - total governmental fund (Exhibit A-4)	\$ 385,948
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The change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation.

Capital outlay	8,000	
Depreciation expense	<u>(222)</u>	<u>7,778</u>

Change in net position of governmental activities (Exhibit A-1)	<u>\$ 393,726</u>
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LOUISIANA UNIFORM LOCAL SALES TAX BOARD

Port Allen, Louisiana

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and operations

The Louisiana Uniform Local Sales Tax Board (the Board) is an entity designated by the State of Louisiana with House Bill 601, which took effect on June 16, 2017, to simplify state and local sales and use taxes. Members include the executive directors of the Louisiana Municipal Association, School Boards Association, Policy Jury Association, and the Sheriffs Association. The duties of the Board include: supporting and advising local tax collectors; promulgating rules, including rules to establish a uniform voluntary disclosure program for taxpayers seeking relief from penalties; entering into agreements with local tax collectors; prescribing uniform forms and model procedures; procuring the development of computer software and equipment for the collection and administration of local taxes; issuing policy advice and private letter ruling; and developing a coordinating multi-parish audit process.

In addition, the Board establishes uniform standards and forms for the purpose of refund requests for all local sales and use taxes. The Board shall serve as the central filing agency for all refund claims involving two or more Louisiana parishes having transactions similar in fact. The filing of a refund claim with the Board shall suspend the running of prescription. The board shall notify the respective tax collector within fifteen days of receipt of a refund request.

Financial statement presentation

The financial statements of the Board have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing U.S. GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by U.S. GAAP and used by the Board are described below.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial statement presentation (Continued)

The financial statements comply with GASB approved Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments* and include the following:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Board’s overall financial position and results of operations.
- Financial statements prepared using full accrual accounting for all of the Board’s activities.
- A change in the fund financial statements to focus on the major funds.

The Board’s basic financial statements consist of the government-wide statements of the primary government (the Board) and the fund financial statements (the General Fund). The Board’s financial statements are prepared in accordance with U.S. GAAP and applied to governmental units. Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide financial statements and the proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB.

Government-wide Financial Statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities for all non-fiduciary activities of the Board. The government-wide presentation focuses primarily on the sustainability of the government as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or business-type activity, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements

The fund financial statements are very similar to the traditional government fund statements as prepared by governments prior to the issuance of GASB No. 34. Emphasis is now on the major funds in either the governmental or business-type categories. The Board consists of one governmental fund, the General Fund.

Governmental Fund Types

Governmental funds are those through which governmental functions of the Board are financed. The acquisition, use, and balances of expendable financial resources and related liabilities of the Board are accounted for through governmental funds. Measurement is focused upon determining changes in financial position rather than net income. The following are the governmental fund types of the Board:

General Fund - The general fund is the general operating fund of the Board. It is used to account for all financial resources except those required to be accounted for in another fund. The general fund is always a major fund.

Basis of Accounting and Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Fund Financial Statements

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included in the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets. Governmental funds are maintained on the modified accrual basis of accounting.

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). "Available" means collectible within the current period or within 60 days after year-end. Charges for services, fines and forfeitures, and most governmental miscellaneous revenues, are recorded as earned since they are measurable and available.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements (Continued)

Expenditures are recognized in the accounting period in which the related fund liability is incurred, if measurable, except (1) unmatured interest on general long-term debt, which is recognized when due, and (2) claims and judgments and compensated absences, which are recorded as expenditures in the governmental fund when paid with expendable financial resources. Allocations of costs such as depreciation and amortization are not recognized in the governmental funds

Cash and cash equivalents

For purposes of the statements of cash flows, the Board considers all highly liquid debt instruments, including money markets and certificates of deposits available for current use, with an initial maturity of three months or less, to be cash equivalents. There were no cash equivalents as of June 30, 2018.

Capital Assets

Government-wide Statements

The accounting treatment of property, plant, equipment, and infrastructure assets (capital assets), are reported in the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their estimated fair value at the date of donation. Major outlays for capital assets and improvements are capitalized at completion of the construction projects.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are expensed, while improvements that add to the value or extend asset lives are capitalized.

Depreciation of all exhaustible capital assets, other than land, is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Computer equipment	3 years
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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are not capitalized. Instead, capital acquisition and construction are reflected as capital outlay expenditures in the governmental funds.

Government-wide Net Position

Government-wide net position is divided into three components:

- Net investment in capital assets - consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.
- Restricted net position - consist of net position that is restricted by the Board's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors. The Board has no restricted net position as of June 30, 2018.
- Unrestricted - all other net position is reported in this category.

Governmental Fund Balances

In the governmental fund financial statements, fund balances are classified as follows:

- Nonspendable - Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- Restricted - Amounts that can be spent only for specific purposes because of the state or federal laws, or externally imposed conditions by grantors or creditors.
- Committed - Amounts that can be used only for specific purposes determined by a formal action by Board ordinance. This includes the budget reserves.
- Assigned - Amounts that are designated by the Executive Director for a particular purpose but are not spendable until a budget ordinance is passed or there is a majority vote approval (for capital projects or debt service) by the Board.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Fund Balances (Continued)

- Unassigned - All amounts not included in other spendable classifications.

Use of Restricted Resources

When an expense is incurred that can be paid using either restricted or unrestricted resources, the Board's policy is to apply the expenditure in the following priority:

1. Restricted fund balance,
2. Committed fund balance,
3. Assigned fund balance, and
4. Unassigned fund balance.

Budget Policy and Budgetary Accounting

Policy and Practice

The Executive Director submits an annual budget for the General Fund to the Board in accordance with Louisiana Local Government Budget Act. The budget is presented to the Board for review, and public hearings are held to address the proposed appropriations. Once approved and adopted by the Board, they may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

Basis of Budgeting

The General Fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source and expenditures are budgeted by function. Budget revisions at this level are subject to final review by the Board. The legal level of control is by function within the General Fund. Expenditures may not exceed appropriations at this level. Various amendments to the budget were made throughout the year.

The General Fund budget is prepared on the modified accrual basis. The budget and actual financial statement is reported on this basis. Unencumbered appropriations for annual budgeted funds lapse at fiscal year-end.

Advertising

The board expenses advertising costs as incurred. For the year ended June 30, 2018, the board incurred \$238 in advertising costs.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. They may also affect the reported amounts of revenues and expenses of the government-wide financial statements during the reporting period. Actual results could differ from those estimates. Estimates are used primarily when accounting for depreciation and prepaid insurance.

NOTE 2 - DEPOSITS

At June 30, 2018, the carrying amount of the primary government's deposits was \$391,576 and the bank balance was \$403,879. The bank balance is secured by federal depository insurance and collateral held by the Board's agent in the Board's name.

Custodial credit risk is the risk that, in the event of a bank failure, the Board's deposits may not be returned to it. The Board's cash policy, as well as state law, require that deposits be fully secured. At year end, the Board's deposits were not exposed to any custodial risk.

The above stated bank balance for the primary government is collateralized as follows:

Federal deposit insurance (FDIC)	\$ 250,000
Pledged securities in the Board's name	<u>153,879</u>
Total bank balance	<u>\$ 403,879</u>

NOTE 3 - CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2018 is as follows:

Governmental Activities :	<u>Beginning</u>			<u>Ending</u>
Capital assets being depreciated:	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>
Computers and technology	\$ -	\$ 8,000	\$ -	\$ 8,000
Less: accumulated depreciation	<u>-</u>	<u>222</u>	<u>-</u>	<u>222</u>
Total capital assets, net	<u>\$ -</u>	<u>\$ 7,778</u>	<u>\$ -</u>	<u>\$ 7,778</u>

Depreciation expense was \$222 for 2018.

NOTE 5 - ECONOMIC DEPENDENCY

The Louisiana Legislature passed in House Bill No. 601 (HB 601) of the 2017 Louisiana Legislative Session to establish the Board as a political subdivision of the State. HB 601 provides the Board to be funded by statewide collections of local sales and use tax on motor vehicles within the State of Louisiana. This funding is 100% of the Board's revenue for the year ended June 30, 2018.

NOTE 6 - GOVERNING BODY COMPENSATION

The governing board received no compensation for the year ended June 30, 2018.

LOUISIANA UNIFORM LOCAL SALES TAX BOARD

Port Allen, Louisiana

GENERAL FUND**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL**

For the year ended June 30, 2018

	Original Budget	Final Budget	Actual	Variance positive (negative)
REVENUES				
Sales and use tax	\$ 450,000	\$ 450,000	\$ 450,000	\$ -
Interest and other	-	-	454	454
Total revenues	<u>450,000</u>	<u>450,000</u>	<u>450,454</u>	<u>454</u>
EXPENDITURES				
Current function:				
Sales tax board:				
Professional fees	150,000	150,000	43,505	106,495
Administrative	80,000	80,000	12,420	67,580
Maintenance	36,256	36,256	-	36,256
Supplies	3,750	3,750	-	3,750
Travel	3,750	3,750	343	3,407
Advertising	-	-	238	(238)
Capital outlay	<u>110,000</u>	<u>110,000</u>	<u>8,000</u>	<u>102,000</u>
Total expenditures	<u>383,756</u>	<u>383,756</u>	<u>64,506</u>	<u>319,250</u>
Net change in fund balance	<u>\$ 66,244</u>	<u>\$ 66,244</u>	<u>385,948</u>	<u>\$ 319,704</u>
FUND BALANCE				
Beginning of year			-	
End of year			<u>\$ 385,948</u>	

The accompanying notes to financial statements
are an integral part of this statement

LOUISIANA UNIFORM SALES TAX BOARD

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2018

NOTE 1 - BUDGETS

Budget Policy and Budgetary Accounting

A proposed budget is prepared and submitted by the Executive Director of the governing board prior to the beginning of each fiscal year. A budget summary and notice of a public hearing is published with the public hearing being conducted prior to the commencement of the budget year.

The annual operating budget, prepared on the modified accrual basis, covers the General Fund. At the end of the fiscal year unexpended appropriations automatically lapse. Budget amendments are approved by the governing board and are included in the financial statements.

In connection with budget preparation, a portion of the unreserved fund balance of an individual fund may be designated for expenditures of the subsequent year. Such designation represents the extent to which the fund balance is used to balance the subsequent year's operating budget of that fund as reflected in the legally adopted budget.

Basis of Accounting

The Board's budget is prepared on the modified accrual basis of accounting as described in Note 1 to the Board's financial statements for the year ended June 30, 2018.

LOUISIANA UNIFORM LOCAL SALES TAX BOARD

Port Allen, Louisiana

**SCHEDULE OF COMPENSATION, BENEFITS AND
OTHER PAYMENTS TO AGENCY HEAD**

June 30, 2018

Agency Head: Roger Bergeron, Executive Director

<u>Purpose</u>	<u>Amount</u>
Salary	<u>\$ 11,538</u>

The accompanying notes to financial statements
are an integral part of this statement

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Victor R. Slaven, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Brad E. Kolder, CPA, JD*
Stephen J. Anderson, CPA*
Christine C. Doucet, CPA
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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Louisiana Uniform Local
Sales Tax Board
Port Allen, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Louisiana Uniform Local Sales Tax Board (the Board), and the Louisiana Legislative Auditor (the specified parties), on the Board's compliance with certain laws and regulations contained in the accompanying *Louisiana Attestation Questionnaire* during the fiscal year end June 30, 2018, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The Board's management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Public Bid Law

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$30,000, and public works exceeding \$154,450. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1755 (the state procurement code) or RS 38:2211-2296 (the public bid law), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

No expenditures were made during the year for materials and supplies exceeding \$30,000 or any public works exceeding \$154,450.

Code of Ethics for Public Officials and Public Employees

2. Obtain a list of the immediate family members of each board member as defined by RS 42:1101-1124 (the ethics law).

Management provided us with the requested information.

3. Obtain a list of all employees paid during the fiscal year.

Management provided us with the requested information.

4. Report whether any employees' names appear on both lists obtained in Procedures 2 and 3.

None of the employees included on the list provided by management for agreed-upon procedure 3 appeared on the list provided by management for agreed-upon procedure 2.

5. Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

Management provided the requested information. None of the businesses of board members, employees, and board members' and employees' immediate families appeared as vendors on the list of disbursements.

Budgeting

6. Obtained a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original and amended budgets.

7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

We traced the adoption of the original 2018 budget and approval of any amendments to the minutes of the meeting of the Board. No exceptions were noted.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues did not fail to meet budgeted revenues by 5% or more, and actual expenditures did not exceed the budgeted amount by 5% or more.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:

- a. Report whether the six disbursements agree to the amount and the payee in the supporting documentation.

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- b. Report whether the six disbursements were coded to the correct fund and general ledger account.

All six disbursements were properly coded to the correct fund and general ledger account.

- (c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

All disbursements were approved in accordance with management's policies and procedures.

Meetings

10. Obtain evidence from management to support that agendas for meeting recorded in the minute book were posted or advertised as required by R.S. 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

No exceptions noted.

Debt

11. Obtain bank deposit slips for the fiscal year, and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loan, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

12. Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

We scanned payroll disbursements and read the meeting minutes of the Board for the fiscal year. We found no payments or approval for payments to the employees that would constitute bonuses, advances, or gifts.

State Audit Law

13. Report whether the agency provided for a timely report in accordance with R.S. 24:513

This is the first year of existence for the Board, reports should be filed timely for 2018.

14. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Management represented that the Board was not on the noncompliance list at any time during the fiscal year.

Prior Comments and Recommendations

15. Obtain and report management's representation as to whether any prior-year suggestions, exceptions, recommendations, and/or comments have been resolved.

Not applicable. This is the first year of existence for the board.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Board's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the Board's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
December 14, 2018

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

November 8, 2018 (Date Transmitted)

Kolder, Slaven & Company (CPA Firm Name)
200 S. Main Street (CPA Firm Address)
Abbeville, LA 70510 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of November 8, 2018 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes ☒ No ☐

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes ☒ No ☐

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes ☒ No ☐

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes ☒ No ☐

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes ☒ No ☐

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

N/A

Yes ☐ No ☐

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes ☒ No ☐

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes ☒ No ☐

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes ☒ No ☐

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

Yes ☒ No ☐

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes ☒ No ☐

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes ☒ No ☐

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

N/A

Yes ☐ No ☐

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes ☒ No ☐

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes ☒ No ☐

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes ☒ No ☐

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes ☒ No ☐

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes ☒ No ☐

The previous responses have been made to the best of our belief and knowledge.

Alfred Secretary 11/8/18 Date

____ Treasurer _____ Date

Amor Chairperson 11/9/18 Date